

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6099**

**BILL NUMBER:** SB 393

**NOTE PREPARED:** Nov 9, 2008

**BILL AMENDED:**

**SUBJECT:** Attracting Primary Care Physicians for Shortage Areas.

**FIRST AUTHOR:** Sen. Simpson

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** *Change of Mandate-* The bill changes the mandate of the Medical Education Board (MEB) from attracting and retaining family practice physicians to attracting and retaining primary care physicians.

*Definition of "Primary Care"-* The bill defines "primary care" to include family practice, obstetrics and gynecology, pediatrics, and internal medicine.

*MEB Plan to Attract Physicians-* The bill requires the MEB to develop a plan to attract primary care physicians for areas in Indiana that do not have a sufficient number of primary care physicians.

*Fund Name Change-* The bill changes the name of the "Family Practice Residency Fund" (FPRF) to the "Primary Care Practice Residency Fund". The bill makes conforming changes.

(The introduced version of this bill was prepared by the Health Finance Advisory Committee)

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** *Summary-* The MEB would have to rely on the existing level of resources in the FPRF to attract and retain physicians targeted by the proposed definition change. Any additional funding would depend on future state budgets.

*MEB Plan to Attract Physicians-* The MEB would be able to change their mandate to conform with the changes in the bill within their existing resources.

Background- The MEB received appropriations of \$2.29 M in FY 2008 and \$2.34 M in FY 2009. Funds are currently used for developing, enlarging, and continuing graduate training programs in family practice. Money in the FPRF does not revert to the state General Fund at the close of a state fiscal year. As of June 30, 2008, the FPRF had expended nearly its entire FY 2008 appropriation, with approximately \$250 remaining.

The MEB has seven unsalaried members. Members, however, are allowed a per diem and travel allowance for each meeting attended.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Medical Education Board.

**Local Agencies Affected:**

**Information Sources:** Budget Agency Auditor's Data; *State of Indiana List of Appropriations Made by the 2007 Indiana General Assembly for the Biennium July 1, 2007, to June 30, 2009.*

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